

COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS **DEPARTMENT OF ENERGY RESOURCES** 100 CAMBRIDGE ST., 9th FLOOR BOSTON, MA 02114 Telephone: 617-626-7300

Maura T. Healey Governor

Kimberley Driscoll Lt. Governor Rebecca L. Tepper Secretary

Elizabeth Mahony Commissioner

December 31, 2024

To: Clerk of the House of Representatives, Clerk of the Senate, and Clerk of the Joint Committee on Telecommunications, Utilities, and Energy

CC: Chairs of the Joint Committee on Telecommunications, Utilities, and Energy

RE: Low-Income Services Solar Program Annual Report

Dear Clerk,

Pursuant to M.G.L. Chapter 29 Section 2LLLLL, The Executive Office of Energy and Environmental Affairs ("EOEEA") shall annually submit a report on the disbursements of the trust associated with the Low-Income Services Solar Program ("LISSP").

As of the date of this report, no disbursements from the trust have been made. With the clarifications to the statutory authority offered by Chapter 28 of the Acts of 2023, DOER is now developing an expanded program offering. The total budget for the LISSP is \$5,650,000, of which \$650,000 was granted by the Legislature and placed into trust and \$5,000,000 of Alternative Compliance Payment funds contributed by DOER. Earlier this year, the Department of Energy Resources ("DOER") entered into a contract with the Center for EcoTechnology ("CET") for program development and administration services. A Program Manual is under development by DOER and CET which will offer guidance on eligibility criteria and program structure to serve as a resource for non-profit applicants and solar installers.

Through this process of program development, it became clear that a major barrier to nonprofits' participation in any future program would be the Commonwealth's traditional pay and reimburse model for disbursing grant funding. Non-profits often have tight capital budgets with little discretionary income to support large infrastructure investments. To ensure this program has successful and equitable outcomes, DOER spent several months coordinating with stakeholders, CET, the Operational Services Division ("OSD"), and DOER legal and fiscal teams to identify a viable path to disburse funds that overcomes this unintended barrier to program participation.

DOER issued a Request for Quotes ("RFQ") on December 5, 2024 for a third-party grant administrator that will assist in the disbursement of grant funds to awardees to mitigate the upfront capital challenge. DOER expects to execute a contract with the grant administrator in Q1 2025. With such an administrator, DOER expects that the grant funds will be paid out directly to the solar installers upon completion of each installation, unless a non-profit awardee requests to receive the funds directly. This approach will provide flexibility for non-profits and reduce the barriers to access for entities with a lack of upfront capital.

After executing a contract with the grant administrator and releasing the Program Manual publicly, DOER expects to start accepting applications and approving awards within the first half of 2025.

Please direct questions and comments on this program to:

Maliha Khan Government Affairs Manager 857-286-0690 Maliha.Khan@mass.gov

Sincerely, s/Elizabeth Mahony

Elizabeth Mahony Commissioner